

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| | | |
|----------------------------------|---|-----------------|
| PURCHASED WATER ADJUSTMENT OF |) | |
| NORTHERN ROCKCASTLE COUNTY WATER |) | CASE NO. 93-013 |
| DISTRICT |) | |

O R D E R

On January 8, 1993, Northern Rockcastle County Water District ("Rockcastle") filed its revised tariff sheets with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Rockcastle purchases its water from the city of Mt. Vernon ("Mt. Vernon").

2. Mt. Vernon increased its rate for water sold to Rockcastle from \$.98 to \$1.07 per 1,000 gallons effective October 8, 1992. Rockcastle propose to increase the rates to its customers effective February 1, 1993.

3. During the 12 months ending December 31, 1992, Rockcastle purchased 46,042,000 gallons of water from Mt. Vernon and sold 36,057,000 gallons of water during the same 12-month period.

4. The rates proposed by Rockcastle are incorrect and should be denied insofar that they failed to correctly adjust the rates for the minimum bills.

5. The increase in the cost of purchased water is \$4,144 resulting in a purchased water adjustment of 12 cents per 1,000 gallons. Based on an average monthly usage of 5,000 gallons, the average bill of rockcastle customers would increase 60 cents from \$18.45 to \$19.05, or 3.25 percent.

6. The purchased water adjustment of 12 cents per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Rockcastle are denied.

2. The purchased water adjustment of 12 cents per 1,000 gallons of water and the rates in Appendix A, attached hereto and incorporated herein, are approved for service rendered on and after February 1, 1993.

3. Within 30 days of the date of this Order, Rockcastle shall file revised tariff sheets setting out the rates approved herein.

4. Within 30 days of the date of this Order, Rockcastle shall file a copy of the notice to its customers and verification that such notice has been given.

Done at Frankfort, Kentucky, this 21st day of January, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-013 DATED January 21, 1993.

The following rates and charges are prescribed for the customers in the area served by Northern Rockcastle County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

| <u>Usage Blocks</u> | <u>Rates</u> |
|----------------------|------------------------|
| First 2,000 gallons | \$9.12 Minimum Bill |
| Next 3,000 gallons | 3.31 per 1,000 gallons |
| Next 5,000 gallons | 2.81 per 1,000 gallons |
| Next 15,000 gallons | 2.31 per 1,000 gallons |
| Next 25,000 gallons | 2.01 per 1,000 gallons |
| Next 50,000 gallons | 1.81 per 1,000 gallons |
| Over 100,000 gallons | 1.61 per 1,000 gallons |

| <u>Minimum Bills</u> | | |
|----------------------|----------------------|---------------------|
| <u>Meter Size</u> | <u>Minimum Usage</u> | <u>Minimum Bill</u> |
| 5/8 Inch x 3/4 Inch | 2,000 Gallons | \$ 9.12 |
| 1 Inch | 5,000 Gallons | 19.05 |
| 1 1/2 Inch | 10,000 Gallons | 33.10 |
| 2 Inch | 25,000 Gallons | 67.75 |